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**MORGAN STATE UNIVERSITY PROFESSOR INDICTED IN SCHEME TO DEFRAUD
THE NATIONAL SCIENCE FOUNDATION**

*Alleged to have Fraudulently Obtained \$200,000 and Attempted to Obtain Another \$500,000
through a National Science Foundation Small Business Program*

Baltimore, Maryland - A federal grand jury indicted Manoj Kumar Jha, age 45, of Severn, Maryland, today to on charges of wire fraud, mail fraud and falsification of records, in connection with a scheme to fraudulently obtain research grants from the National Science Foundation (NSF).

The indictment was announced by United States Attorney for the District of Maryland Rod J. Rosenstein and Allison Lerner, Inspector General at the National Science Foundation.

According to the seven count indictment, from January 2008 through July 2009, Jha fraudulently obtained \$200,000 in grant funds from the National Science Foundation's (NSF) Small Business Technology Transfer (STTR) program to fund a highway project, and attempted to obtain another \$500,000 through the same program. The indictment alleges that Jha converted the funds to his personal use, including: to make payments on his mortgage and personal credit card; authorizing approximately \$11,000 in salary payments to his wife, who did not perform NSF-related work; and writing a \$6,000 check to himself.

Jha, a full time professor at Morgan State University, incorporated Amar Transportation Research and Consulting, Inc. (ATRC), and was its president and only director. The indictment alleges that Jha submitted funding proposals on behalf of ATRC to the STTR. The stated purpose of Jha's proposed project was to enhance current models used by highway planners to optimize horizontal and vertical highway routes, and ultimately, to commercialize the result. In his application for STTR funding, Jha listed himself as the Principal Investigator and the University of Maryland as the CRI. Under the STTR, the primary employment of the Principal Investigator (PI) must be with the small business at the time of the award; and at least 40% of the research must be performed by the small business and 30% by a collaborating research institution (CRI), as measured by the budget.

The indictment alleges that in his applications, Jha falsely represented that: he would

secure “release time” or negotiate other leave options with Morgan State University in order to spend time at ATRC working on the highway project; that ATRC had eight employees; and that another Morgan State professor would be working for ATRC as a Senior Scientific Advisor. In fact, Jha remained employed full time as a professor at Morgan State and the indictment alleges that none of the statements were true. Jha also allegedly misrepresented the involvement of the University of Maryland in conducting research on the project and further misrepresented that he had obtained a \$100,000 investment from a third party in order to qualify for matching funds from NSF.

On February 15, 2011, an investigator with the Office of Inspector General (“OIG”) for the NSF sent Jha a letter requesting copies of various documents, including a list of all individuals who worked on the highway project and their time sheets, and the company’s expenditure ledger detailing all budget categories, as part of a proactive OIG review of ATRC’s compliance with laws, regulations, and conditions in connection with the NSF grant. On March 11, 2011, Jha provided, through his attorney, among other things, biweekly, signed time sheets purportedly maintained by Jha for a research scientist who worked on the highway project from October 1, 2008 until September 8, 2009, which the indictment alleges were created by Jha only after receiving the OIG letter, and in such a way as to give the false appearance that the time sheets had been maintained and signed contemporaneously with the research scientist’s work. Jha also provided a copy of ATRC’s expenditure ledger as of September 10, 2009, in which he allegedly entered fictitious research expenses in order to conceal the fact that NSF funds had been converted to Jha’s personal use.

Jha faces a maximum sentence of 20 years in prison for each of five counts of wire fraud, and for one count each of mail fraud and falsification of records. No court appearance has been scheduled.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

Today’s announcement is part of efforts underway by President Obama’s Financial Fraud Enforcement Task Force (FFETF) which was created in November 2009 to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. attorneys’ offices and state and local partners, it’s the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets and conducting outreach to the public, victims, financial institutions and other organizations. Over the past three fiscal years, the Justice Department has filed more than 10,000 financial fraud cases against nearly 15,000 defendants including more than 2,700 mortgage fraud defendants. For more information on the task force, visit www.stopfraud.gov.

United States Attorney Rod J. Rosenstein thanked the National Science Foundation, Office of Inspector General for its work in the investigation. Mr. Rosenstein praised Assistant U.S. Attorney Martin J. Clarke and Special Assistant U.S. Attorney Sean Marlaire, who are prosecuting the case.